$1.25 a copy; $55 a year

Monday, December 9, 1985

C2710-1

Advertising Age®

Crain's International Newspaper of Marketing © Entire contents copyright 1985 by Crain Communications Inc. All rights reserved.

C-P shifts favor regional approach

Move to global marketing slows

By NANCY GIGES

As part of a revised global marketing program, Colgate-Palmolive Co., New York, has realigned $50 million worth of advertising among its three key agencies.

Instead of moving toward worldwide brand assignments, Young & Rubicam, Ted Bates Advertising and Foote, Cone & Belding each will now serve as "lead agency" for Colgate's core brands in key regions around the world.

Young & Rubicam gains an estimated $40 million in C-P business, to about $120 million worldwide, and becomes the lead agency in Europe. Foote, Cone & Belding remains at about $90 million and will concentrate in Latin America, and Ted Bates Advertising stays at about $100 million, with a focus in the Far East.

All three shops keep a strong base of C-P business in the U.S.

The shift to a regional rather than worldwide brand alignment strategy stems from the company's realization that it must approach global marketing more slowly than it had intended.

Previously core brands had been assigned to the three agencies without regard to coordination across borders. Now each agency is responsible for a C-P brand assignment within a specific region. This is different from the strategy followed by arch-rival Procter & Gamble, which assigns brands on a country-by-country basis.

Clay Timon, who joined C-P a year ago as vp-director of worldwide advertising after 20 years of international agency experience, said, "What I've discovered coming into this job is that a global realignment is not physically possible. The simple fact is that everywhere we do business, there isn't a single agency that operates everywhere we are."

Mr. Timon said C-P's new lead agencies, in addition to handling the biggest budget in their respective areas, are also responsible for taking the lead in developing strategies in advertising that can be used on a broader than single-country basis.

He has not given up hope for a global approach one day but has realized the process

(Continued on Page 73)

P&G makes muffins its main mixes

By JULIE FRANZ and LAURIE FREEMAN

Procter & Gamble reportedly intends to deemphasize standard cake mixes, a market it leads, in favor of "finger foods" such as brownie and muffin mixes.

Such a move would appear to leave the cake-mix field open for General Mills, which this month is introducing regionally a four-item Cake Lover's Collection line under its Betty Crocker banner. The Minneapolis company's new mixes include dehydrated fruit, nuts and chocolate packaged separately to produce "chunkier" cakes.

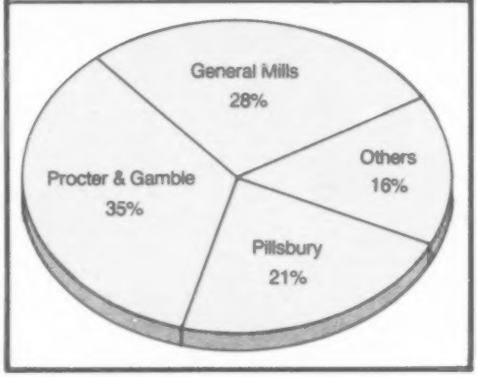
Retailers say Cincinnati-based P&G is telling them it will concentrate on introducing new "premium" home-baking items and stay away from further expansion of its standard cake-mix lines.

P&G's Duncan Hines holds an estimated 40% share of the more than $756 million mix category (exclusive of cookie mixes).

"[P&G's] philosophy is that cake mix, as a category, is dying, and that the real growth will come from high-quality dessert items, like muffins and brownies," a midwestern grocery buyer told Advertising Age.

Slices of the cake market

Despite new product introductions, Procter & Gamble remains the leader in the $500 million single and double layer cake market. *Source: Kidder, Peabody, New York, and Advertising Age.*



A P&G spokesman denied any implication that the company was forsaking the standard cake category, although he did note that P&G already is "very diversified in the cake area with over a dozen flavors" and that there is more opportunity for "diversification and flavor extensions in brownies and muffins."

The numbers, though, suggest the regular segment is

(Continued on Page 73)

Ford planning major revamp of marketing

By JESSE SNYDER

Detroit—Ford Motor Co. executives are preparing massive marketing changes they believe will breed success for the company into the next century.

Radical changes at the second-largest auto maker will affect advertising agencies, marketing divisions, media and dealers. Ford's top executives are rethinking the marketing program right down to gauging the thought processes of different customer-types before they buy a car.

As a result, Lincoln-Mercury division last week hired one new specialized agency and may be considering another.

Ford's efforts will not involve the sweeping structural changes of General Motors Corp.'s reorganization (AA, Dec. 19, '83, *et seq.*). But Ford's are no less market-oriented and, in a different way, as profound as those of the No. 1 auto maker.

Ford's changes are just taking shape, but the over-all change from a largely autocratic, manufacturing-oriented company to a slimmed-down, marketing-oriented one is cropping up on several levels:

- Ford is researching the "thought process" that precedes new-car purchases and the differences

(Continued on Page 68)

Ford's Taurus intro barely makes it into '85. Page 68.

Last Minute News

Seagram reviews $9M in billings

New York—Jos. E. Seagram & Sons is reviewing for an $8 million-to-$9 million assignment that includes brands at Perennial Sales Co., Seagram Classics Wine Co. and Seagram Chateau & Estate Wine Co. Ten agencies selected to compete reportedly have been cut to three unidentified shops. Incumbent agencies include Doyle Dane Bernbach, William Esty Co. and Warwick Advertising for Perennial; DDB and Kenyon & Eckhardt for Classics, and Esty for Chateau & Estate. Separately, Iroquois Brands' Champale unit, Trenton, N.J., has narrowed a review on its $3 million Champale malt liquor account to Geers Gross, incumbent Weiss & Geller and North Castle Partners, Greenwich, Conn.

Buckingham Wile checks 5 shops

New York—Buckingham Wile Co. is reviewing "four or five" shops for an estimated $10 million in business being resigned by D'Arcy Masius

(Continued on Page 8)

Hey, got a minute?

Super Bowl 'break' draws crowd

By ROBERT RAISSMAN

When NBC Sports executive producer Michael Weisman decided to let tv screens go dark for a minute during its Super Bowl XX pregame telecast, he never expected to be accused of using Big Brother tactics to control when America goes to the bathroom.

Nor did NBC Sports sales expect to have advertisers call up asking to buy into a minute of network time when nothing but a ticking clock would be on the screen. But after the plan to run a 60-second "intermission" during the Jan. 26 pregame show was revealed in Advertising Age (AA, Dec. 2), the phones at NBC started ringing from advertisers and the media alike. The story spread across the country and into Europe, gaining momentum and leading NBC Sports sales to believe they were on to something big.

"They [the salesmen] believe more people than ever will tune into the pregame show just to see the blank screen," Mr. Weisman said. "It's tv sports' version of the eclipse."

Sources said Timex Inc. wanted to have its logo on the clock that will be used to time the minute break. Anheuser-Busch reportedly asked either to sponsor the intermission or have the Budweiser jingle playing during the break.

A Timex spokesman said he had "no knowledge of any plans to do anything involving Timex and the Super Bowl." Anheuser-Busch execs declined comment on the report. Kevin Monaghan, an NBC Sports spokesman, said the minute is still coming out of programing time and will not be sold.

Mr. Monaghan said a variety of media contacted Mr. Weisman to talk to him about the idea, while members of the NBC Sports information staff were called on last week to do radio interviews.

Early last week, the idea seemed to be more of a

(Continued on Page 70)

NEWSPAPER

HIGHLIGHTS

Colgate realigns global shops 1

In a realignment of $50 million worth of advertising among its three global agencies, Colgate-Palmolive Co. has designated a lead agency in key regions around the world for its core brands —Young & Rubicam in Europe; Foote, Cone & Belding in Latin America, and Ted Bates Advertising in the Far East.

Ford looks ahead 1

Ford Motor Co. executives are preparing massive marketing changes they believe will breed success for the company into the next century.

Health claims get healthier 3

A controversial advertising strategy became more alluring last week when a federal health official seemed to invite marketers to take advantage of the government's changing attitude toward health claims for foods and consumer advertising of prescription drugs. The ad industry reacted with cautious optimism.

And Saatchi makes three 6

Saatchi & Saatchi Co. last week revealed plans to create a major new London ad agency that will operate independently from the parent company. The move would give the Saatchi group three agencies in the U.K.'s top 10, and enhance the British group's ability to handle accounts that conflict with accounts at Saatchi & Saatchi and Dorland Advertising.

Mail rates take hike 12

The U.S. Postal Service last week made good on its threat to raise rates for not-for-profit and other mailers that enjoy taxpayer-subsidized postal rates. The size of the increases, effective Jan. 1, will vary from publication to publication.

Radio volume lowered 27

The radio industry will hardly feel it when Ford Motor Co. launches its new Taurus and Sable models Dec. 26 with the biggest single ad blitz in company history. Dearborn, Mich.-based Ford has allocated only $4 million to radio out of an estimated $100 million introductory budget, according to a Radio Advertising Bureau survey of Detroit-area advertisers.

Ashton-Tate gets on dBase 35

Ashton-Tate, feeling the competitive waters around it heat up, launched a preemptive strike to shore up its leading position in the personal-computer database software market. The pc software publisher, which last month moved from Culver City to expanded quarters in Torrance, Cal., introduced dBase III Plus at the Computer Dealers Expo in Las Vegas. An enhanced version of dBase III, the new program allows linked pcs to share information, a key feature for marketing to larger corporations.

Martin picks up a Pet 56

Pet Inc.'s grocery group president Jim Matson screened 150 reels before picking the Martin Agency to create national tv spots for Accent flavor enhancer, Martin's first package-goods account.

Teacher's learning a lesson 66

W.V. Elliott Co. faces a formidable task in trying to resurrect Teacher's scotch from a long-term sales decline. It also must buck over-all lagging popularity in the U.S. for scotch whisky. Having seen its reputation sag as the drink of upscale imbibers, scotch—like most brown goods—has been losing sales for several years to vodka and rum, which are now the dominant spirits in the alcoholic beverage industry.

Sweets from the sweeps 67

If it's December, it must be time for the Big 3 tv networks to pick through the November sweeps ratings results and trumpet the positives. Unlike last year, there were highlights to be found for over-all network viewing.

Rv sellers sound call of the road 69

Marketers of recreational vehicles, strapped by the image of motor homes carrying golden oldies down the highway toward the sunset, are searching for a way to get baby-boomers to warm up to the rv life style. It was evident last week at the Recreation Vehicle Industry Assn.'s annual trade show that rv marketers want to attract more first-time buyers. Manufacturers and dealers are expected to dump a total of $300 million into advertising this year.

INTERNATIONAL

Ease up on advertising 40

Advertising should be allowed to support the growth of global media and advertising restrictions should be relaxed worldwide, according to a new report by the International Advertising Assn.

Bruise brews furor 40

A tv commercial featuring a woman with a black eye begging for "another punch" has sparked an uproar among feminists in Argentina.

Ad gets Christo spirit 40

A popular print ad for Gallaher Ltd.'s Silk Cut cigarets, showing a swath of purple silk with a diagonal slit cut through the material, has evolved into a three-minute commercial for U.K. cinemas that borrows from the technique of the eccentric artist Christo.

S. African auto slump hits shops 42

South Africa's declining automobile industry is dragging down already-suffering advertising agencies. In the past three months three auto marketers have left South Africa, and rumors are flying that a fourth, possibly General Motors, might follow suit.

OTHER NEWS

Retailers say Calvin Klein's Obsession and Chanel's Coco are the hot new department store fragrances. Page 4.

Though the king of rock 'n' roll stopped making music nearly 10 years ago, Elvis Presley's memory can still produce royalties. Natural Choice Industries, the latest company to capitalize on the singer's name, plans to launch Elvis Presley Love Me Tender shampoo, conditioner, styling gel and other hair and body products in the South to debut next spring. Page 12.

Extensive promotion of new-product entries—especially cold remedies, antacids and arthritic pain relievers and the growing number of drugs switching from prescription to the over-the-counter category—contributed to a 7.8% growth in nonprescription drugs in the U.S. in 1984. Page 54.

With several government agencies still on its trail over check-floating transgressions, E.F. Hutton has hitched its wagon to President Reagan and the American Red Cross for a fund-raising appeal. Page 67.

CAMPAIGNS BREAKING

Quaker Oats Co., Chicago, reveals the whereabouts of Cap'n Horatio Crunch, missing from cereal boxes since late August, during a two-minute tv spot, running simultaneously on all three networks at 9:30 a.m. and 10:30 a.m. (ET) Dec. 14 (AA, Sept. 9). Backer & Spielvogel, Chicago, handles.

Baskin Robbins Ice Cream, Glendale, Cal., breaks 15-second network tv ads Dec. 12. The ice cream retail chain will tie in with Walt Disney Productions' re-release of the film classic "101 Dalmatians." J. Walter Thompson USA, Los Angeles, handles (AA, Nov. 11).

COMING THURSDAY

A merger will take place in the pages of the Dec. 12 Advertising Age Thursday. *The happy mergees: Agency creative and media departments. More than ever, creatives and media directors, planners and buyers are working with each other to devise creative solutions to the challenges posed by clutter and new media options such as 15-second tv commercials. As their "magazine of the creative process,"* Ad Age Thursday *has expanded its coverage and analysis of their activities with features such as MediaWorks and Street Talk in order to support and strengthen their efforts.*

Special Report: Outdoor advertising friends and foes are fighting in the halls of Congress as the industry registers steady growth, employs advanced technology and recruits new users.

REGULAR FEATURES

ACCOUNT CHANGES	26	DIRECT MARKETING	64	OBITUARIES	27, 70
ADBEAT	62	EDITORIAL	14	PERSONAL PRIVILEGE	24
ADVERTISER PEOPLE	36	FOR THE RECORD	67	PHOTO REVIEW	28
ADVERTISING MARKETPLACE	59	FORUM	16	PRESSTIME	8
BRADY'S BUNCH	54	GARFIELD/ON THE LOOSE	35	REGIONAL NEWS	52
CON-SID-ERATIONS	14	LETTERS	20	VIDEOTECH UPDATE	46
CORRECTIONS & CLARIFICATIONS	6	NEW AD RATES	37	WORLD NEWS ROUNDUP	3

Vol. 56, No. 95—ADVERTISING AGE (ISSN 0001-8899) is published twice weekly except once a week the first week in January, the first week in July, the fourth week in November and the fourth week in December at 740 Rush Street, Chicago, IL 60611. Second-class postage paid at Chicago and additional mailing offices. Send address changes to ADVERTISING AGE, Circulation Department, 740 Rush Street, Chicago, IL 60611. Microfilm copies are available from University Microfilms, 300 N. Zeeb Rd., Ann Arbor, Mich. 48103. Microfiche copies are available from Bell & Howell, Micro Photo Division, Old Mansfield Rd., Wooster, O. 44691. $1.25 a copy on Monday, 75¢ a copy on Thursday, $55 a year, $100 two years. Add $143 per year for air delivery to Europe & Middle East. Add $49 for surface mail to all other foreign countries. WILLIAM STRONG, vp-circulation; ROGER DI GREGORIO, fulfillment director; HEIDI SCHULTZ, senior circulation manager. Four weeks' notice required for change of address. Address all subscription correspondence to circulation department, Advertising Age, 740 Rush St., Chicago, Ill. 60611 (312) 649-5200.

ABP MPA RED TAG ABC ANPA

Clorox asks for 20-sec. tv spots

By VERNE GAY

Clorox Co. has asked the tv networks to begin accepting stand-alone 20-second commercials, a move that would further erode the 30-second spot as the tv standard and add to the fractionalizing of acceptable commercial lengths.

Clorox, Oakland, Cal., is pressing for the 20s because, it says, its creative executions for 30-second spots cannot be converted to 15-seconds. While all three tv nets accept "split 30s"—a 30-second commercial pod containing two different ads for products from the same advertiser —CBS-TV has also started taking stand-alone 15s.

ABC-TV and NBC-TV are expected to follow suit and begin accepting stand-alone 15s early next

(Continued on Page 68)

DDB sees drop in '85 earnings

By STEWART ALTER

The Doyle Dane Bernbach Group, which a year ago said the worst was behind it financially, informed securities analysts last week in a private meeting that earnings could plunge 37% to $5.4 million for 1985, compared with $8.7 million in 1984.

According to sources, Robert Pfundstein, DDB exec vp-chief financial and administrative officer, said the earnings shortfall was due to declining client spending (including some unexpected fourth-quarter cutbacks) as well as money-losing operations in Australia (pretax loss of $700,000), Hong Kong (pretax loss of $800,000) and Fletcher/-

(Continued on Page 73)

West Coast news

New shop for Norman cosmetics

Merle Norman Cosmetics, Los Angeles, made its second agency switch in less than a year by shifting its cosmetics and personal-care products account from Doyle Dane Bernbach/West, Los Angeles, to Della Femina, Travisano & Partners, New York. According to DDB/West president Richard Edler, Merle Norman is cutting its advertising budget to virtually nothing and shifting the balance to sales promotion. Reportedly, the moves come at the insistence of

(Continued on Page 73)

Saatchi plans third major London shop

By LAUREL WENTZ and STEWART ALTER

LONDON—Saatchi & Saatchi Co. last week revealed plans to create a major new London ad agency that will operate independently from the parent company.

The move would give the Saatchi group three agencies in the U.K.'s top 10, and enhance the British group's ability to handle accounts that conflict with accounts at Saatchi & Saatchi and Dorland Advertising.

Saatchi is taking over Humphreys Bull and Barker, a $40 million agency with a good creative reputation and attractive multinational clients, including General Mills, and merging it with Saatchi's own creatively troubled KMP, which recently lost its largest client, British Telecom. Two other Saatchi-owned agencies, Downton Advertising Ltd. and Crawford Halls London, also will be added to the new agency, which will be called KMP Humphreys Bull and Barker.

Although the new agency will function separately, it will be part of the Saatchi & Saatchi Compton Worldwide network, unlike Dorland Advertising, which is owned by the Saatchi holding company, but is outside SSC&W and is building its own international network.

"We at KMP Humphreys Bull and Barker will be competing head-to-head with both Dorland and Saatchi and other agencies of significance in the U.K.," said Stuart Bull, planning and new-business director of Humphreys Bull. Mr. Bull will retain the same title at the new agency. Mr. Bull said the new agency would be the ninth-largest here, with billings of about $120 million. Saatchi and Dorland rank first and third.

The new agency will resign at least one account—Lever Industrial—which Humphreys Bull handles for "a small consultancy fee." That account conflicts with Saatchi client Procter & Gamble.

Another conflict, between KMP client Carlsberg beer, worth about $12 million, and Humphreys Bull's Allied Breweries business, billing about $750,000, still is being discussed, Mr. Bull said.

KMP's chairman, managing director and financial director all resigned last week to make way for new management from Humphreys Bull. The Humphreys Bull principals will receive equity in Saatchi & Saatchi rather than a cash payment for their agency, and they will run the new agency.

"Saatchi had a number of agencies that had mixed fortunes," said Jack Rubins, chairman of Dorland Advertising.

"It gives Saatchi a third force in the U.K.," said Bill Seward, an analyst at London stockbroker Philips & Drew. "By adding Humphreys Bull to KMP and Crawford, Saatchi will have a much stronger and more effective unit."

In New York last week, Saatchi & Saatchi also reported more than $60 million in business referred from one segment of its business to another for the six months ended Sept. 30.

Saatchi has "only just begun to develop the potential of this system," said chairman Maurice Saatchi in announcing results for the fiscal year.

"We are working with 53 of the world's top 100 companies, with more than 20 of them across three or more business services and with more than 20 across five or more countries," said Mr. Saatchi.

Mr. Saatchi also announced that the acquisition-minded company had about $190 million in cash.

For the fiscal year, revenue rose 105%, to $375 million, from the previous year. The increase mostly reflects major acquisitions such as the Hay Group consulting company and Yankelovich, Skelly and White research company.

Likewise, Saatchi's pretax profits rose to $50.3 million from $22.8 million. Pretax profit margins as a per cent of revenue rose to 13.4% from 12.4%, especially reflecting improved margins at Hay from 11.5% to 14%.

The U.S. now accounts for 62% of Saatchi's revenues and 58% of its profits, compared with 24% and 29% for the U.K. and 14% and 13% for the rest of the world (AA, Nov. 18).

Mr. Saatchi also indicated that plans were afoot for expanding the consulting business. Milton Rock, who has been Hay's chairman, "has taken up the chairmanship of our consulting division and is developing plans to take the company into all the key areas of consulting in the years ahead," said Mr. Saatchi.#

Ally picks Dexheimer

NEW YORK—Larry Dexheimer has been named chief operating officer of Ally & Gargano, a post that has been vacant since Edward Gallagher left the agency 16 months ago.

The creative department will not report to him, but account management, broadcast operations, media, research and traffic will, according to a staff memo from Amil Gargano, chairman-ceo.

"As soon as he can get his things packed, he will move into the office next to me," said Mr. Gargano in his memo.

Mr. Dexheimer, who joined Ally in 1970, has been senior vp-director of marketing services at the agency, in charge of the media and research activities for all accounts. He became chairman of the agency's operations committee in 1984.#

AA New York bureau taps Winters, Dagnoli

NEW YORK—Patricia Winters has joined ADVERTISING AGE as a reporter in the bureau here.

New York bureau chief John O'Connor also has announced the promotion of Judann Dagnoli to reporter from editorial assistant. She held the latter post since joining the AA staff last March.

Ms. Winters, previously a freelance writer and New Jersey correspondent for AA, is a Fordham University graduate. Her work has appeared in *Crain's New York Business*, *New Jersey Monthly*, the *New York Times* and *Venture*.

She has held editorial posts at Gannett Co.'s *Journal News*, West Nyack, N.Y., and the *News* in Paterson, N.J.

Ms. Winters will report on imported beers, gums and candies, shaving products, writing instruments and radio programing.

J. Dagnoli

P. Winters

Ms. Dagnoli has been specializing in cable tv coverage while at AA. A 1980 Pace University journalism graduate, she served as a researcher with the law firm of Debevoise & Plimpton before joining AA.#

CORRECTIONS & CLARIFICATIONS

- Airwick Industries markets Bully, Bully Plus Blue, Bully Power and Swish toilet bowl cleaners, not R.T. French Household Products Co., as reported (AA, Nov. 25, P. 3). Following an early 1985 merger with Airwick, R.T. French is now R.T. French Household Products Division. Airwick is now the U.S. household products arm of London-based Reckitt & Colman, while R.T. French Co. handles food products. Also, since Oct. 1, Bloom Advertising, New York, has been the agency of record, not J. Walter Thompson USA, which was identified as the agency.
- The monthly per-subscriber cost for Turner Broadcasting System's Cable News Network and CNN Headline News goes up to 25¢ in January for systems that do not also carry WTBS, Atlanta. Cable systems carrying all three TBS services will pay 18¢ per subscriber, not 25¢ as reported (AA, Nov. 25, P. 52).
- In the ADVERTISING AGE Flash Report of newspaper advertising investments for August (AA, Dec. 2, P. 72), general-merchandise stores increased ad spending 12.4% to $41.2 million, not 21.2% as reported.
- Captions identifying fashions by Ralph Lauren and Arnold Scaasi (AA, Dec. 5, P. 2) were inadvertently transposed.#

STAR POWER

There's nothing like it to bring credibility, glamour, and tremendous selling power to your advertising campaign.

We know how to get it for you. The right star at the right price.

Film stars. TV stars. Sports stars.

For your commercials. Print campaigns. Personal appearance programs. Or special promotions.

We're LBS Celebrities. The new service from LBS Communications Inc.

We know how to deliver the stars.

Faster and easier than you ever dreamed possible.

We'll suggest the most appropriate celebrities for your campaign and deliver the one you choose.

We'll work carefully within your budget.

Represent you—the buyer.

And accept the agreed-upon fee only when we deliver your celebrity.

LBS Celebrities. Star power packed with selling power for you.

In L.A. contact Jim Waters (213) 859-1055
In N.Y. contact John Reisenbach (212) 418-3032

LBS CELEBRITIES INC

9220 Sunset Blvd., Suite 101-A, Los Angeles, CA 90069
875 Third Ave., New York, NY 10022

CUSTOM IMPRINTED PRODUCTS

ORGANIZE AND PROMOTE YOUR BUSINESS WITH QUALITY PRODUCTS *FREE 1-COLOR IMPRINT INCLUDED

$1.20* 1" Ring binders
48¢ 5-Tab Index Sets
Quickshipped in 10 working days

74¢* Inexpensively adds a professional touch to presentations

$1.60* with spring clip and inside pocket

*In 1,000 quantity, other quantities available. All items for 11" x 8½" size paper.

AT AMERICAN THERMOPLASTIC COMPANY

Dept. 1, 622 Second Ave., Pittsburgh, PA 15219
Call Us Toll Free 800-245-6600
In PA Call Collect (412) 261-6657

PROMOTIONS VIA SHOPPING MALLS

Sampling, Product Demonstrations, Couponing, National Publicity Campaigns, and increased consumer brand awareness, highlight the fastest growing media in direct marketing history... Co-Op Mall Marketing. Procter & Gamble, Chevrolet, General Foods, Clairol, RCA, and Nabisco, are among a few of the leading consumer product companies using our Shopping Center Network.

Call or write and we will show you how to utilize Shopping Malls to extend your promotional marketing to consumers.

Shopping Center Network
Shopping Center Network
Shopping Center Network

11400 N. Kendall, Suite 303
Miami, Florida 33176
305/595-0201
Miami, New York, Chicago, Los Angeles